

File ACT/037/029
RECEIVED
FEB 19 1981
DIVISION OF
OIL, GAS & MINING

Coffman and Coffman
A Professional Corporation
ATTORNEYS AND COUNSELLORS AT LAW
59 EAST CENTER STREET
MOAB, UTAH 84532
TELEPHONE 801-259-5102

ALDINE J. COFFMAN, JR.
PENELOPE DALTON COFFMAN

February 17, 1981

DRAWER J
MOAB, UTAH 84532

James W. Smith, Jr.
Coordinator of Mined Land Development
Division of Oil, Gas and Mining
1588 West North Temple
Salt Lake City, UT 84116

Re: Oljeto (Chum) Mine
ACT/037/029 San Juan County, Utah
Your letter of February 6, 1981

Dear Mr. Smith:

This letter serves as formal cover for the transfer to you of certain information promised you by representatives of the Sum Company at the meetings with you and the State Land Board on Wednesday, February 11, 1981 in your respective offices in Salt Lake City.

1. The surveyor certificate of John E. Keogh states that the total amount of land disturbed is considerably less than two (2) acres of land. Please append Mr. Keogh's letter of February 16, 1981 to Mr. Joe Stocks, enclosed herewith, to the application for exemption which was filed with you on February 11, and which exemption has been requested before the Board of Oil, Gas and Mines, unless you have administratively granted the exemption prior to that hearing.

2. I enclose a copy of your Board's Cessation Order issued on February 5, 1981, and served on February 10, 1981. You should note the inconsistencies between that Order and your letter of February 6. In your letter of February 6, 1981, issued after the Cessation Order, you indicate that the mine water discharge could continue after making immediate temporary measures to contain it. Your Order of the previous day specifically orders discontinuance of the pumping. Neither your letter nor the Order which it contradicts reflects the fact that John T. Blake, Mineral Resource Specialist with the State Land Board had inspected the mine site between the time

RECEIVED

FEB 19 1981

James W. Smith, Jr.
February 17, 1981
Page 2

DIVISION OF
OIL, GAS & MINING

of your Board's action in January authorizing the Cessation Order and the date of its actual issuance in February, and that during that interim, as a result of Mr. Blake's suggestion, an impoundment pond was built the very day of Mr. Blake's inspection, to contain the ground water that was being pumped from the mine. Several photographs of that containment pond itself, its fence and the posted signs are attached.

3. As requested by you, the fence and signs were completed on February 13, 1981, the earliest possible date of arrival by Mr. Stocks at the mine, the pond itself however, without the fence or sign, was at it appears in the photographs from the date of Mr. Blake's inspection.

Accordingly, your letter of February 6 indicates your failure to investigate the charge upon which you base the emergency cessation order, i.e., the danger of irradiated mine waters discharged, inasmuch as the water was curtailed to the storage pond well prior to your February 5, 1981 order. The Board authorized the issuance of an emergency cessation order at its meeting on January 26, 1981, or thereabouts, yet the order was not issued until February 5, 1981. It is difficult to explain why an emergency cessation order should be administratively in effect for ten days, during which passage of time the person to whom the order was issued received no notice. It is also incredible that an emergency order would be suspended for ten days for some administrative reason and yet the administration would fail to contact the person to whom the order was directed to determine whether or not that party had taken any action during the administrative delay. In fact, by the time the emergency cessation order was issued, the emergency had ceased, and the order was no longer proper.

4. The Sum Company intends to fully cooperate with the Utah Division of Health, and has forwarded to Steve McNeil, of that Division, certain data from the Grand Junction Laboratories, to whom water samples were taken on February 16, 1981. The initial conductivity samples and the results are noted on the enclosures, as well as the charge incurred for the alpha and beta as well as the conductivity tested. The alpha and beta tests will be available after the February meeting.

5. The water samples were taken from the new mine as well as the old mine so that the Division of Health will be more fully informed before the discharge of the water to the old mine workings, which are estimated to contain one million

James W. Smith, Jr.
February 17, 1981
Page 3

RECEIVED

FEB 19 1981

DIVISION OF
OIL, GAS & MINING

gallons of water (see the Plateau Resources report in your files). The old mine is not connected below-ground with the new mine, and the direct discharge of the water from the old mine could be done with existing pipe already in the disturbed area calculated, or with larger pipe laid in the calculated area. Sum Company expects to receive instructions from the State Division of Health in the near future with respect to discharged mine water into the old mine workings, at which time the containment pond will be abandoned, and either reclaimed or, if requested by the State Land Board, left for stock watering to collect ground water run-off from the drainage above the bond.

In conclusion, let me suggest:

1. You poll the Board members, as you indicated you would, about cancellation of the Cessation Order immediately.

2. Your closing of the file on this matter and granting the exemption requested.

I will follow this letter with a telephone call to determine the results of your poll.

Yours very truly,


Aldine J. Coffman, Jr.

AJC:rh

Enclosures

cc: John L. Bell
C. Ray Juvelin
Thadis W. Box
Maxilian A. Farbman
Edward T. Beck
E. Steele McIntyre
Cleon B. Feight
William K. Dinehart
John M. Garr

JOHN E. KEOGH, Land Surveyor

CITY - COUNTY BUILDING

Box 274

MOAB, UTAH 84532

Feb. 16, 1981

RECEIVED

FEB 19 1981

DIVISION OF
OIL, GAS & MINING

Mr. Joe Stocks
Moab, Utah 84532

Dear Mr. Stocks:

On Feb. 13, 1981 I surveyed the area at your mine in Section 36, T⁴3S, R14E in San Juan County, Utah.

I determined that the total area of land which has been disturbed is 1.19 acres. This includes the land occupied by your camp, mine, ore pile and waste dump below the sandstone ledge and the reservoir and vent-compressor site above the ledge. These areas totalled 1.31 acres. I deducted 0.12 acres which the existing roads had already disturbed leaving a total of 1.19 acres of disturbed land.

Sincerely,

John E. Keogh
John E. Keogh
Utah R.L.S. No. 1963

SCOTT M. MATHESON
Governor



OIL, GAS, AND MINING BOARD

GORDON E. HARMSTON
Executive Director,
NATURAL RESOURCES

CLEON B. FEIGHT
Director

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING
1588 West North Temple
Salt Lake City, Utah 84116
(801) 533-5771
February 6, 1981

CHARLES R. HENDERSON
Chairman

JOHN L. BELL
C. RAY JUVELIN
THADIS W. BOX
MAXILIAN A. FARBMAN
EDWARD T. BECK
E. STEELE MCINTYRE

REGISTERED - RETURN RECEIPT REQUESTED

Mrs. Phyllis Cortez
SUM Mining Company
2049 Murphy Lane
Moab, Utah 84523

RECEIVED
FEB 19 1981

RE: Oljeto (Chum) Mine
ACT/037/029
San Juan County, Utah

DIVISION OF
OIL, GAS & MINING

Dear Mrs. Cortez:

Enclosed is the Mining and Reclamation Plan which was originally filed by Kelmine Corporation for the Oljeto Mine. These may be helpful in filing a permit application for the Chum Mine, if you have not already completed MR Forms 1, 2 and 8.

As explained during the site inspection by Wayne Hedberg and Mary Ann Wright on January 7, 1981, there are a number of items pertinent to this operation which must be addressed in filing for a mining permit with this Division. They are explained as follows:

1. An EPA-NPDES discharge permit must be obtained for discharging water from the mine.
2. Sum Company must implement immediate temporary measures to control and contain the mine water discharge (i.e., within mine, if possible, or in a temporary surface impoundment, etc.) prior to the approval and implementation of permanent plans to handle the discharge properly. The Divisions of State Health, and Oil, Gas and Mining must be notified and approve the proposed temporary measures prior to initiation. (A phone call is usually an acceptable preliminary measure in emergency situations).

Information to be provided must include:

- a. The location of the structure (preferably by map),
- b. The volume of mine water discharge pumped each day,
- c. The size of the impounding structure,

RECEIVED

FEB 19 1981

DIVISION OF
OIL, GAS & MINING

- d. The time schedule for implementation of said, structure, and
- e. Reclamation plans for the temporary impoundment upon abandonment and concurrent utilization of a permanent facility.

The Division of State Health has been notified of the situation and has completed an analysis of the mine water discharge from a sample taken by the Division during the January site visit. A copy of the analytical results is enclosed for your information.

3. Detailed plans for permanent control and/or treatment of the mine water discharge must be submitted to the Divisions of State Health; Oil, Gas and Mining; and Dam Safety for approval prior to initiating any type of construction activities.

4. Plans must be provided detailing the procedures for the removal and suitable relocation of the waste rock material which was improperly obstructing the wash, adjacent to the portal entrance. The location for present and future waste rock materials, along with all other surface facilities, must be depicted on a topographic map at a minimum scale of 1" = 200 feet (see item 6).

5. Plans for general clean-up of the area, both immediate and upon final reclamation must be provided. All trash, debris, structures or extraneous materials must be removed upon final reclamation. Burying on-site is not acceptable.

6. A map must be submitted indicating and outlining all currently disturbed areas and areas of projected disturbance, area's use (waste disposal sites, stream diversions, portal pads, parking areas, access roads, settling and/or treatment ponds, pumping and discharge pits, equipment storage areas, buildings, etc.) on a topographic map of a 1" = 200 feet minimum scale.

The Board of Oil, Gas and Mining at its January hearing, after being informed by the Division staff of the problems at the site, passed a motion to issue an Emergency Cessation Order (pending the water analysis results) and an Order to Show Cause. These orders are presently being issued under separate cover and will require the presence of a SUM Company representative to be present at the Board's February hearing on the 26th of this month. It would be to SUM Company's advantage to submit a mine plan on or before that date to avoid initiation of further legal action.

Mrs. Phyllis Cortez
February 6, 1981
Page Three

RECEIVED

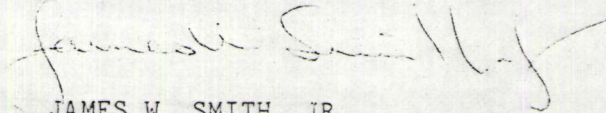
FEB 19 1981

DIVISION OF
OIL GAS & MINING

At that same hearing, the Board voted to accept Plateau Resources bond, held by the Division of State Lands, as currently acceptable surety for the Chum Mine.

If I can answer any questions which may arise, please feel free to call.

Sincerely,



JAMES W. SMITH, JR.
COORDINATOR OF MINED LAND DEVELOPMENT

JWS/te

Enclosures

cc: State Health
State Lands

Water Syst. No. Source No. 719

County 611

Current use 702

Proposed use 709

Date Collected 702

Time Collected 0430

Water Rights No. 707

Exact Description of sampling Point

OLDS URANIUM MINE WATER

DISCHARGE (CHUM MINE)

Supply Owned by

JOHN JERRY STOCKS

Sample Type 712 04 710

Sample Collected by

DO. WAYNE HEDGECOCK (DO. W.)

713

SEND REPORT TO:

Phone 533 5771

UTAH DIVISION OF GAS & MINING

1500 N. NORTH TEMPLE

SALT LAKE, UTAH

84106

715

648

717

Temperature (°C)

792

CO₂, mg/l

792

D.O., mg/l

793

Depth, m

609

Sp. Cond. μ mhos

653

Cl Resid., mg/l

753

pH

651

Flow, MGD

652

Sp. Gravity

608

Flow, GPM

604

Transparency, m

649

Flow, cfs

659

2 Temperature (°C)

650

pH

782

WASTEWATER ANALYSIS

BACT. LAB. No.

B.O.D.₅

794

T.O.C.

671

M.P.N. Total Coliforms/100ml

658

Tot. Sus. Solids

787

C.O.D.

777

M.P.N. Fecal Coliforms/100ml

657

NO₂+NO₃-N

602

Cyanide

775

Fecal Strep C/100ml

656

T.K.N.

778

Phenolics

783

M.F. Total Coliforms/100ml

654

Oil & Grease

780

Sulfide

672

M.F. Fecal Coliforms/100ml

655

Plate Count-Org./ml

599

3 Filtered

Unfiltered

4 CHEMICAL ANALYSIS

pH, units

me/l

CATIONS

mg/l

ug/l (ppb)

me/l

ANIONS

mg/l

5 TOTAL METALS ANALYSIS

CATIONS

mg/l

ug/l (ppb)

Ammonia as N

722

Bicarbonate

758

Aluminum

800

Arsenic

723

Carbon Dioxide

759

Arsenic

660

Barium

724

Carbonate

760

Barium

661

Boron

725

Chloride

763

Beryllium

801

Cadmium

727

CO₃ Solids

765

Cadmium

662

Calcium

728

Fluoride

767

Chromium

663

Chromium

729

Hydroxide

605

Chromium, Hex. as Cr

730

Nitrate as N

606

Cobalt

804

Copper

732

Nitrite as N

607

Copper

664

Iron, dissolved

733

Phosphorus, Ortho as P

750

Gold

700

Lead

734

Silica, dissolved as SiO₂

772

Iron

755

Magnesium

737

Sulfate

772

Lead

665

Manganese

738

TOTAL ANIONS

772

Manganese

666

Nickel

740

GRAND TOTAL

772

Mercury

739

Potassium

742

Tot. Phosphorus

785

Molybdenum

802

Selenium

743

Total Alk. as CaCO₃

752

Nickel

667

Silver

744

T. Hds. as CaCO₃

754

Selenium

668

Sodium

745

Surfactant as MBAS

773

Uranium

601

Zinc

749

Turbidity, as NTU

757

Vanadium

803

TOTAL CATIONS

749

Sp. Gravity

608

Zinc

670

5

Sp. Cond. μ mhos/cm.

762

TDS @ 180°C

756

7 RADIOLOGICS

INTERPRETATION OF ANALYSES:

Based on State Standards, this sample was:

Alpha, gross

11669/50

89Sr

633

Remarks:

State Health Standards: (Maximums)

Beta, gross

9160/50

131I

635

Alpha - 15 pCi/l

Tritium, ³H

200/5

134Cs

637

Beta - 50 pCi/l (?)

226Radium

5/27

137Cs

639

Radium - 5 pCi/l

228Radium

629

2-4

114 mg/l Uranium - 4 mg/l

90

11

114

Satisfactory

Conditional

Unsatisfactory

Analysis Approved By: J. J. Hedgcock

Date: 6 FEB 81

ENVIRONMENTAL HEALTH

Phone 242-7618

John C. Kephart & Co.

STATEMENT

GRAND JUNCTION LABORATORIES

ANALYSTS and CONSULTANTS

Minerals, Soils, Food, Water, Sprays and Spills

439 NORTH AVENUE

GRAND JUNCTION, COLORADO 81501

RECEIVED
FEB 19 1981
DIVISION OF
OIL, GAS & MINING

Date

81

Sum Co.

NEW MINE - CONDUCTIVITY

2300 μ MHOS

OLD MINE - CONDUCTIVITY

1250 μ MHOS

S. Bage

Phone 242-7618

John C. Kephart & Co.

STATEMENT

GRAND JUNCTION LABORATORIES

ANALYSTS and CONSULTANTS

Minerals, Soils, Food, Water, Sprays and Spectrochemical Analysis

439 NORTH AVENUE

GRAND JUNCTION, COLORADO 81501

RECEIVED

FEB 19 1981

DIVISION OF
OIL, GAS & MINING

Date 2-16-81

Sum Co.

Received \$1330.⁰⁰
for 2 water samples
2 Alpha & Beta
2 conductivity

pd 2-16-81

S. Bagg